

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:2681
ANSWERED ON:13.03.2000
PRICES OF DIESEL AND PETROLEUM PRODUCTS
ARUN KUMAR;NAWAL KISHORE RAI

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether the Government propose to reduce the rates of taxes fixed by the Government so as to decrease the prices of diesel and other petroleum products;
- (b) if so, the levels at which the tax is recovered in the petroleum sector alongwith the type of tax and the rate thereof;
- (c) whether the rates proposed for tax assessment in this sector were also sent by the Government to tax assessing authorities; and
- (d) if so, the details of rates thereof and the extent to which the rates of petrol and diesel in the country are likely to be decreased on the basis of proposed tax rates?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS

(SHRI SANTOSH KUMAR GANGWAR)

(a) to (d): In the Union Budget presented in Parliament on 29.2.2000 the basic customs duty has been revised as under:

1. Crude Oil 20% to 15%

2. Motor Spirit,
High Speed Diesel,
Aviation Turbine Fuel,
Light Diesel Oil,
Furnace Oil, 30% to 25%
Bitumen,
Low Sulphur Heavy Stock.

3. Kerosene (Parallel 30% to 35%
Marketing Scheme)

The current excise duty rate on petrol is 32%, on diesel and aviation fuel - 16% and on kerosene oil and liquified petroleum gas 8%. Additionally, an amount of Rs.1000/KL is levied on petrol and diesel as additional excise duty.

In addition, State Governments levy recoverable sales tax/irrecoverable taxes, the rates of which vary from State to State and any change therein is within the powers of the State Governments.

No decision has been taken as yet on revision in prices of petrol and diesel after the presentation of budget.